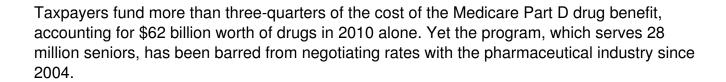
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egislation would put up to \$156 billion towards deficit reduction
s lawmakers face deep divisions over proposals to cut the federal deficit and rein in Medicare osts, Rep. Peter Welch on Monday announced bipartisan legislation that strengthens
edicare, lowers the cost of prescription drugs for seniors and trims the deficit.
Velch's Medicare Prescription Drug Price Negotiation Act of 2011 would require the Secretary
Health and Human Services to negotiate prescription drug prices on behalf of Medicare Part beneficiaries, a move that would significantly lower the cost of prescription drugs for seniors and save up to \$156 billion over ten years.
At a time when we're working to get the nation's fiscal house in order, putting the federal
overnment's purchasing power to work to save money is simply common sense. Paying retail tes for wholesale purchases is a good deal for the pharmaceutical company but a bad deal for the taxpayer," Welch said. "It's long past time we put an end to this misguided policy."



Price negotiation has a history of saving money. The Department of Veterans Affairs has reduced costs significantly by negotiating rates. One Families USA report found that the top five Medicare Part D insurers charged prices 58 percent higher than the VA for 20 commonly prescribed drugs.

The Medicare Prescription Drug Price Negotiation Act of 2011 is identical to a Welch-sponsored provision in the House version of the health care reform legislation but was not included in the final law.